PROJECT GROWTH UPDATE



There is no doubt that access to high-quality, licensed child care is critical not only to Wisconsin's families but also to employers who are seeking qualified workers. Unfortunately, more than half of families in our state live in "child care deserts," where there are more than three children under age 5 for each licensed child care slot. That's why the Wisconsin Department of Children and Families (DCF) launched the Dream Up! Child Care Supply-Building Grant Program through the Project Growth initiative. Through a collaborative community approach, chosen teams of community stakeholders are working to evaluate, plan, sustain, and expand existing child care, and support new child care programs. To date, Project Growth provided \$10.4 million in funding has been provided to support three cohorts of recipients that represent 37 communities.

Project Growth is one of many initiatives DCF has introduced to stabilize our communities' child care systems and bolster Wisconsin's economy. To date, \$37.9 million has been invested in businesses, communities, child care programs, and families through Project Growth.

According to a <u>report</u> from <u>The Century Foundation</u>, it is estimated that 2,110 child care programs are projected to close, which would leave more than 87,000 kids in Wisconsin without child care. But it does not end there. These impacts would result in the loss of over 4,880 child care jobs and approximately half a billion dollars in economic impacts between parents leaving the workforce and reduced employer productivity.





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WISCONSIN CHILD CARE BY-THE-NUMBERS

- The average price of infant care constitutes 18.5% of the median family income in Wisconsin and 83.3% of the yearly wages of a minimum wage worker. (2021 Needs Assessment)
- The child care workforce earns only a median hourly wage of \$7.46–12.99 per hour, depending on the type of program. (2021 Needs Assessment) In short, the business model for child care does not work without increased public or private investment.
- 64% of Wisconsin employers say that exploring ways to support child and family-supporting benefits is necessary to retain valuable employees in a tight labor market.

- 78% of Wisconsin business owners report that our state's economy is directly impacted by families' abilities to access affordable, highquality child care.
- Wisconsin's demographic shifts are a central issue to the state's tightened labor market.
 Wisconsinites are aging. The state had 150,000 fewer residents in their "prime working age" (from 25–54 years old) in 2019 than it did in 2010, according to an analysis by UW Community Economic Development. (The State of Working Wisconsin) The labor force will continue to shrink in the coming decade, leaving public and private employers fighting over the smaller pool of potential workers.

DREAM UP! GRANT PROGRAM: OVERVIEW



To date, the Dream Up! Child Care Supply-Building grant program has invested \$10.4 million to support building child care supply through a collaborative community approach facilitated by First Children's Finance (FCF).

SINCE THE PROGRAM'S LAUNCH:



37 cross-sector community teams have been awarded **\$75,000** supply-building grants



\$1,020,000 invested in current child care providers through the Business Leadership Cohort opportunity



Many Dream Up! communities have completed their core team meetings, finalized their goals, and begun implementation of their strategic plans. The top three areas of focus for the strategic plans are:

- Maintaining or enhancing high quality care
- Recruitment hiring and retention costs
- Materials for learning environment

A portion of these communities have also secured additional financial resources to continue their efforts or are actively pursuing ways to sustain their efforts beyond the Dream Up! community award. Additional community Dream Up! activities include but are not limited to:

- Preparing to open new child care centers through strategic community partnerships and collaborative funding.
- Supplying local child care providers with resources that help them either expand their child care workforce and/or available child care slots.
- Engaging high school students in course work to become providers.
- Developing pipeline and retention initiatives to support the child care workforce, including mechanisms to provide livable wages and relevant professional development.
- Planning community/employer engagement activities, such as surveys, to drill down on the nuances of local child care needs.

DREAM UP! GRANT PROGRAM: EMERGING THEMES

Across Wisconsin, Dream Up! communities are bringing together parents, employers, child care providers, community organizations, and other local leaders to learn more about the unique challenges and opportunities their regions face in expanding access to licensed child care. While the conversations, decision drivers, implementation plans, and sustainability strategies differ in nuanced ways, there are a number of themes emerging across teams. The following are some initial high-level observations that may prompt further discussions and activities aimed at supporting community-led child care access:

ASSESSING LOCAL CHILD CARE NEEDS FROM MULTIPLE
PERSPECTIVES IS ONE OF THE FOUNDATIONAL FIRST STEPS
DREAM UP! TEAMS ADVISE FOR ANY COMMUNITY-LED CHILD CARE
INITIATIVES.

- Gathering separate feedback from local families, employers, and child care providers are the most common data collection activities.
- This information is used to not only better understand the issues and realistic possible solutions, it is also leveraged to educate local stakeholders on the issue and ultimately generate buy-in.

DREAM UP! COMMUNITIES ARE EXCITED AND WILLING TO THINK OUTSIDE OF THE BOX IN ADDRESSING THEIR CHILD CARE CHALLENGES. THAT SAID, THEY OFTEN DESCRIBE ENTERING THE WORK WITH INCOMPLETE INFORMATION ABOUT THE ARRAY OF OPTIONS TO CONSIDER AND ARE UNABLE TO LEVERAGE LESSONS LEARNED FROM OTHER COMMUNITIES.

- This inefficient use of time leads to some local participants losing interest after the initial excitement and/or a lot of time spent investigating projects that ultimately end up not being feasible.
- For example, some teams described assuming that partnering with a local business to open a child care facility would be a collaborative and efficient way to hit the ground running. However, after talking with building inspectors, child care regulators, and on-the-fence employers, teams realized it is more challenging than anticipated and ultimately were forced to identify different solutions.



DREAM UP! GRANT PROGRAM: EMERGING THEMES

ALTHOUGH THE MAKEUP OF A CORE TEAM VARIES IN REGARDS TO ORGANIZATIONS REPRESENTED AND THE BACKGROUNDS OR POSITIONS OF INDIVIDUALS, THERE ARE TWO PRIMARY ROLES THAT DREAM UP! PARTICIPANTS CONTINUE TO NOTE AS IMPORTANT TO THEIR CURRENT AND/OR FUTURE WORK: LOCAL EMPLOYERS AND INDIVIDUALS WHO ARE EXPERTS IN CHILD CARE POLICY AND REGULATIONS.

- Both roles are seen as valuable for their perspectives and experience, particularly as a community is attempting to better understand the nuances of the challenges and what solutions truly address the issue AND are realistic and sustainable.
- They are also seen as integral to getting buyin from other local businesses and child care providers.

MANY COMMUNITIES SHARED THEIR CHALLENGES IN MEANINGFULLY ENGAGING LOCAL EMPLOYERS ON THE ISSUES RELATED TO CHILD CARE ACCESS.

 Engagement ranged from asking employers to provide simple feedback on their employees' child care needs to attending community listening sessions to having an active role on the Dream Up! core team.

- Most commonly, teams report local employers acknowledging that employees' access to child care does impact their day-to-day productivity; however, employers are uncertain on their role in addressing the issue (versus "The Government," families, another organization, etc.)
- In some cases, communities stated that employers still see this as an issue that families should just be able to "figure out," and often refer to the historical practice of a stay-at-home parent being a practical solution.

LOOKING TO THE FUTURE, MANY DREAM UP! TEAMS ACKNOWLEDGE THAT WITHOUT ADDITIONAL, SUSTAINABLE FUNDING AND/OR A DEDICATED POSITION, IT WILL BE CHALLENGING FOR THEM TO PRIORITIZE CONTINUING TO PUSH FORWARD THE WORK.

 This sentiment was especially strong for core team members who have full-time jobs in issues outside of child care initiatives and are part of communities that do not have the ability to prioritize funding on these issues.

WANT TO LEARN MORE?

Visit <u>ProjectGrowth.Wl.gov</u> or contact <u>DCFMBDEProjectGrowth@</u> <u>wisconsin.gov</u> to learn more about Project Growth's latest initiatives and our community-based approach to improving child care in Wisconsin.



